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DEPARTMENT OF THE INTERIOR AND RELATED
AGENCIES APPROPRIATIONS FOR 1970

HEARINGS
BEFORE A
SUBCOMMITTEE OF THE
COMMITTEE ON APPROPRIATIONS
HOUSE OF REPRESENTATIVES
NINETY-FIRST CONGRESS
FIRST SESSION

SUBCOMMITTEE ON DEPARTMENT OF THE INTERIOR AND
RELATED AGENCIES

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JOSEPH M. McDADE, Pennsylvania
WENDELL WYATT, Oregon
GEORGE E. EVANS, *Staff Assistant to the Subcommittee*

PART 2

Bureau of Indian Affairs
Bureau of Outdoor Recreation
National Park Service
Office of the Secretary
Office of the Solicitor
Office of Territories
Trust Territory of the Pacific Islands



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WASHINGTON : 1969

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(II)

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 1970

THURSDAY, MARCH 6, 1969.

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WITNESSES

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RALPH R. REESER, DEPUTY ASSISTANT COMMISSIONER, COMMU-
NITY SERVICES
JOHN P. SYKES, CHIEF, PROGRAM PLANNING AND ANALYSIS,
EDUCATION
DONALD T. KETHRO, ENGINEERING ADVISER

Mrs. HANSEN. The committee will come to order.

This morning we have the Bureau of Indian Affairs. May I say we are delighted to greet you, Commissioner Bennett. It has been a pleasure to work with you. We think you have done an outstanding job. And I may say that both Congressman Reifel and I had the opportunity of visiting the Navajo Reservation this winter and we saw many things that are on the plus side of your Bureau.

As you are well aware America has been in a dilemma for the last 20 years about what to do for the American Indians. Finally our Nation has become aroused and concerned enough to do the very best we can for the Indians. Sometimes in the desire to do the very best, nothing arises but criticism of the Bureau of Indian Affairs. It is only fair to state that for every minus there is also a plus. We saw so many fine young people who I am sure would not have an education today if it had not been for your work and your programs. We saw families that need much more, but who have begun to work for rehabilitation with job training. We saw good standards of food service in the schools, one of the highest standards of cleanliness I have ever observed in any school.

The mineral and petroleum potential of many Indian reservations is vast. The mineral specialists in the Bureau continually supply research, valuation and marketing information to aid the leasing and development of these resources, which will increase the income of the many Indian owners.

Examples of recent accomplishments. The real estate appraisers complete more than 10,000 documented appraisal reports each year. This work load is expected to increase in number and complexity as the Indians' resources management program gains sophistication; and proportionately more of the work load is in support of housing, industry, and commercial and tourism development and less oriented to agriculture and grazing.

Using appraisal reports properly in preparing for negotiation, administrators have increased rentals received from leasing activities on Indian lands often by as much as 50 percent over former rentals. This increase is often the direct result of the administrator being made aware by professional appraisal services of the effect of the real estate market on Indian lands.

The urban planning activities have completed many design studies, subdivision plats, community plans, and plans and designs for recreation, industrial and commercial developments. The planners also have nurtured many Indian planning boards and aided in starting several 701 planning programs in cooperation with the Department of Housing and Urban Development. The planners also have worked closely with the Public Health Service in solving mutual planning programs.

The mineral specialists have helped in generating increased benefits from mineral and oil and gas exploration and development. In fiscal year 1968 bonus payments of \$10.5 million were gained for Indian owners by activities supported by the valuation services of the Bureau.

- (b) General trustee services. Fiscal year 1969, \$1,178,000; fiscal year 1970, \$1,178,000; "no change".

Program of work. The Bureau is charged by various laws and regulations with the trust responsibility of accounting for and disbursing individual Indian monies which come into the custody of Bureau officials as a result of administrative trust or restricted properties of individual Indians, through per capita payments, judgments, awards, and claims. Indian Service Special Disbursing Agents are designated to carry out these responsibilities.

This sub-activity also finances positions of field representatives who serve as contact representatives with the Indians at the reservation level and who perform work connected with the activities concerned with administration of trust properties.

Examples of recent accomplishments. Trust funds were collected by the Bureau from the leasing and/or sale of trust property, from the sale of forest products produced on trust property, from sales of minerals, hay, and other products. These funds are then deposited to individual Indian and tribal accounts and in numerous instances are distributed to several thousand individual Indian accounts resulting from the growing multiple-ownership or heirship situation. In order to improve this situation, we are consolidating individual Indian money accounting activities to better utilize existing specialized staff and to facilitate the use of electronic accounting techniques. This is resulting in better service to Indian beneficiaries through more current disbursing of funds to them. Field representatives have continued to work with Indian groups and individuals in the management, administration, and development of Indian trust property and related activities. There has been increased activity also in the field of investing individual and tribal funds at higher rates of interest, thus increasing their earnings.

The following table shows Investments - Tribal and Individual Indian Monies:

| Investments | Actual June 30, 1967 | Actual June 30, 1968 | Estimate June 30, 1969 |
|------------------------------|----------------------------|----------------------------|------------------------------|
| 1. Tribal Funds: | | | |
| In Banks..... | \$97,461,602 | \$155,302,253 | \$180,000,000 |
| U.S. Securities | 5,915,000 | 10,980,500 | 10,900,000 |
| 2. Individual Indian Monies: | | | |
| In Banks..... | 36,523,048 | 41,881,357 | 40,000,000 |
| U.S. Securities | 29,820,431 | 29,190,519 | 30,000,000 |
| Total..... | 169,720,081 | 237,354,629 | 260,900,000 |
| 3. Interest Earned.. | 7,099,214 | 13,515,562 | 14,780,000 |

- (c) Employee compensation payments. Fiscal year 1969, \$336,000; fiscal year 1970, \$400,000; increase, \$64,000. The increase consists of:

| Increase (+) or Decrease (-) | | Total Program | Total Positions | Explanation |
|---------------------------------|-----------|------------------|--------------------|--|
| Amount | Positions | | | |
| \$64,000 | --- | \$400,000 | --- | To reimburse the Employees' Compensation Fund. |

Need for increase. The increase will provide funds to reimburse the Employees' Compensation Fund for payments made due to injury or death of employees under the jurisdiction of this agency as required in Section 209 of Public Law 859.

8. Repair and Maintenance of Buildings and Utilities

| Activity or Sub-activity | F.Y. 1968 Amount Available | F.Y. 1969 Amount Available | F.Y. 1970 Estimate | Increase (+) or Decrease (-) 1970 Compared with 1969 |
|--|----------------------------------|----------------------------------|-----------------------|--|
| Repair and maintenance of buildings and utilities..... | \$15,370,639 | \$16,869,000 | \$17,988,000 | +\$1,119,000 |

Repair and maintenance of buildings and utilities. Fiscal year 1969, \$16,869,000; fiscal year 1970, \$17,988,000; increase, \$1,119,000. The increase consists of: